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ABSTRACT

Supporting performance objective 12 of the V-TECS (Vocational-Technical Education Consortium of States) Paying and Receiving Bankteller Catalog, this module includes both a set of student materials and an instructor's manual on examining checks for acceptability. (This module is the sixth in a set of eight on banktelling [CE 019 471-478].) The student materials include a pre- and posttest, two learning activities, and a student self check (with answer key). The instructor's manual includes an answer key to the pre- and posttest and simulated checks to be duplicated. The materials are designed for self-paced individual instruction and may be adapted for use with large groups. (A related set of modules on bookkeeping [CE 019 480-489] is also available.) (JH)

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EXAMINING CHECKS FOR ACCEPTABILITY

STUDENT'S MANUAL

Prepared by

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1978

CE 019 476

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Mrs. Mary Horton	Andrew Jackson High School
Mrs. Patricia Itter	C. A. Johnson High School
Mrs. Peggy McElveen	Gaffney Senior High School
Mrs. Frances Wells	Lexington Area Vocational Center

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Anne L. Matthews

Anne L. Matthews, State Supervisor
Office Occupations Education

INTRODUCTION TO BANKTELLING INSTRUCTIONAL MATERIALS

The modules developed in South Carolina for the bankteller catalog are designed to provide audio, visual, and printed supplementary materials needed by the instructor and/or student to achieve the objectives stated in the catalog. The materials were designed as modules so that they may be flexibly inserted into an on-going program, as well as provide for maximum utilization via a rotation schedule.

These materials provide supplemental units of instruction in the following areas:

Module No.	Tasks	Performance Objective Nos.
II-A	Using the 10-Key with Left Hand	70
III-A	Handling Deposits	62, 14, 52, 53, 54, 55
III-B	Issuing and Cashing Checks (Certified, Cashiers, and Travelers) and Ordering Personal Checks	42, 47, 58, 57, 61
IV-A	Processing Coins	24, 17, 27, 23
IV-B	Sorting, Stacking, and Strapping Currency	25, 18, 30, 31, 26, 32
V-A	Examining Checks for Acceptability	12
V-B	Inspecting Customer Identification	19
V-C	Cashing Checks (Personal)	39, 40

The modules typically include a performance objective, definitions, prerequisites, equipment, introduction, directions, learning activities, self checks, and tests (pre and post). The instructor's manual contains notes, keys, forms for duplication, instructor's checklists, scripts for recording, and supplementary materials.

Before you release the packages to your students, review each package within your department, discuss how to best utilize the materials, choose the desired course, and plan the sequence for each unit of instruction. Other considerations are required:

1. Insure that necessary equipment is available and in proper working order.
2. Insure that necessary audio materials are recorded and easily available.
3. Obtain the necessary equipment needed for filmstrip viewing and listening.
4. Replenish consumable supplies after each student completes the module.

The modules may be used in the following courses: Office Procedures, Cooperative Office Education, Senior Intensified Program, Bookkeeping, Typewriting, Business Mathematics, Office Machines, and Introduction to Business. It is recommended that the banking modules be taught as a unit of instruction.

A simulated teller's cage using role playing customers (students) is desirable. Perhaps a rotation plan could be devised to provide each student with an orientation to simple bankteller duties. A teacher may, however, select single modules, provided no prerequisite skills are listed.

The supplementary materials for the bankteller catalog are designed for individual, small-group or large-group instruction. You may need to adapt materials in a few instances for large-group instruction. When used individually, students will be able to progress through the materials at their own pace.

TELLER

PERFORMANCE OBJECTIVE:

Given a display of three checks with endorsements, examine each check and choose the one that is acceptable for cashing. Explain your reasons for the decision.

DEFINITIONS OF TERMS:

There are many terms introduced in this module which you may not know an exact meaning of, even though you may have heard the terms many times. The definitions for these terms are given below. Each time one of these terms appears in the module it will be in bold type to remind you that it has been defined for you on this page. Refer to this page every time you need to check on a definition for a word or term typed in bold.

acceptability–(noun) capable of being taken by the bank teller as being valid. Example: Because the figures and written numbers did not match, acceptability of the check was doubtful.

alteration–(noun) a change. Example: There was an alteration in the amount written in figures because it was easy to see that the original figures had been erased.

drawn–(verb) causing money to be taken out of a person's account at a bank. Example: The check was drawn against the account at the Third National Bank.

endorser–(noun) a person who signs one's name on the back of a check when cashing it, depositing it, or offering it as payment to someone else. Example: John became the endorser when he signed his name on the back of the check.

endorsement–(noun) the signature on the back of a check. Example: The endorsement had been made properly.

maker–(noun) the person who writes a check in favor of someone else. Example: May Jones, the maker, made the check payable to Joe Smith.

negotiability–(noun) legally capable of being transferred in normal business activities. Example: Bank tellers examine checks for negotiability.

payee–(noun) the person to whom a check is made payable. Example: May Jones made the check payable to Joe Smith, the payee.

PREREQUISITES:

Before beginning this module on examining checks for acceptability, read the performance objective and the definitions of terms which will be used in this module.

If you feel that you already know how to examine checks for **acceptability**, complete the Pre-Test. If you score 100%, you do not need to complete this module.

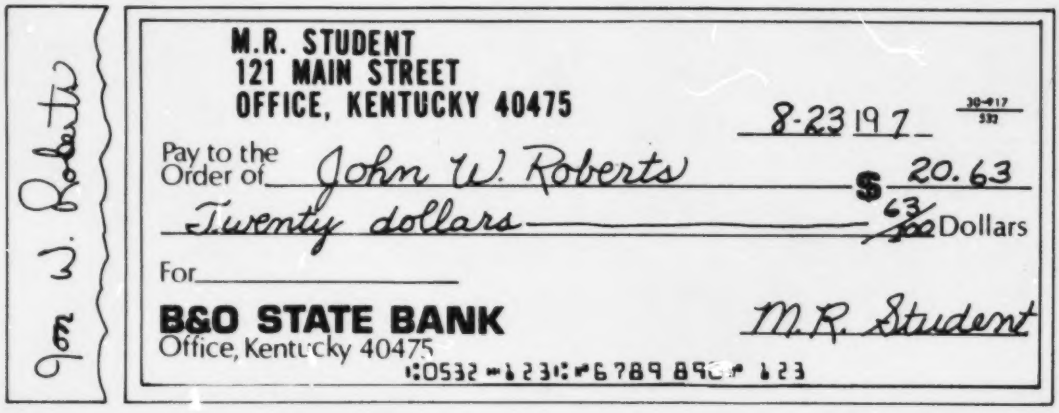
If you completed the Pre-Test and did not score 100% on the Pre-Test, proceed to EQUIPMENT, TOOLS, RESOURCES, AND SUPPLIES.

PRE-TEST

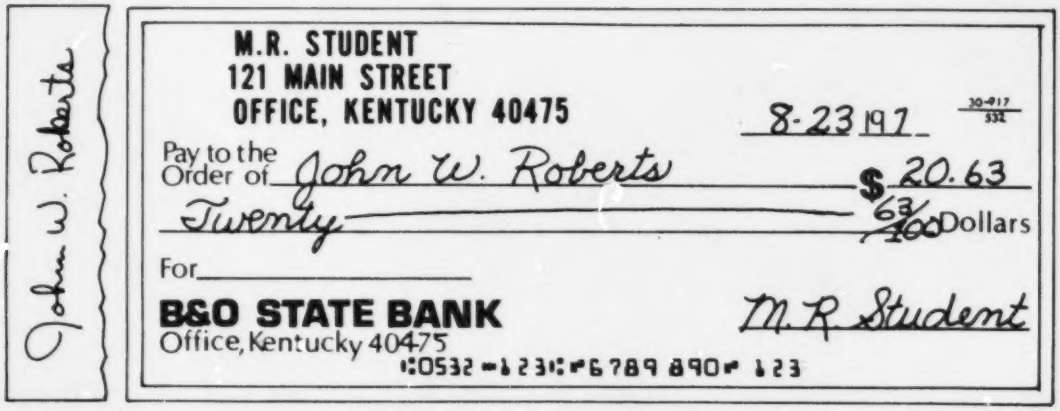
DO NOT WRITE on this sheet. Put your answers on a plain sheet of paper.

Examine the following display of three checks with endorsements. On your answer sheet, write down which set is acceptable for cashing without further identification or conversation with the customer. Explain briefly why you chose that set, explaining what might make the other two sets unacceptable for cashing.

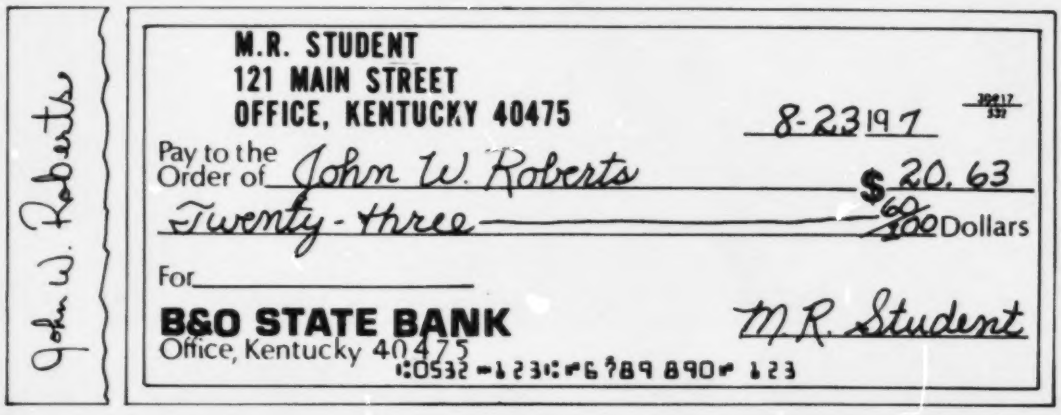
SET A



SET B



SET C



EQUIPMENT, TOOLS, RESOURCES, AND SUPPLIES:

The student will need a pen or pencil and the answer sheet provided at the end of this module.

INTRODUCTION:

The work of the bank teller can be very exciting and interesting. The work is varied and quite often brings many challenges. The job gives the teller the opportunity to meet many different types of people and develop pleasant over-the-counter relationships with them.

Because the success of the bank is partially dependent upon the bank teller and the bank teller's success with the public, the teller must know exactly what is expected with regard to the specific tasks which must be performed by the teller.

Cashing checks is a very important task which the teller performs as a part of the daily routine of a business day. The bank teller must examine each check to see whether it is acceptable for cashing. There are many points to remember when examining a check for acceptability. The purpose of this module is to present those points to you in a logical manner and give you the opportunity to try out what has been presented in this module.

DIRECTIONS:

Read through the package carefully. Always complete activities in the order they are given. Work at your own speed. Do not write on the pages in this module unless you are told to do so. Put your answers for the Pre-Test, Student Self-Check, and the Post-Test on a separate sheet of paper.

LEARNING ACTIVITIES:

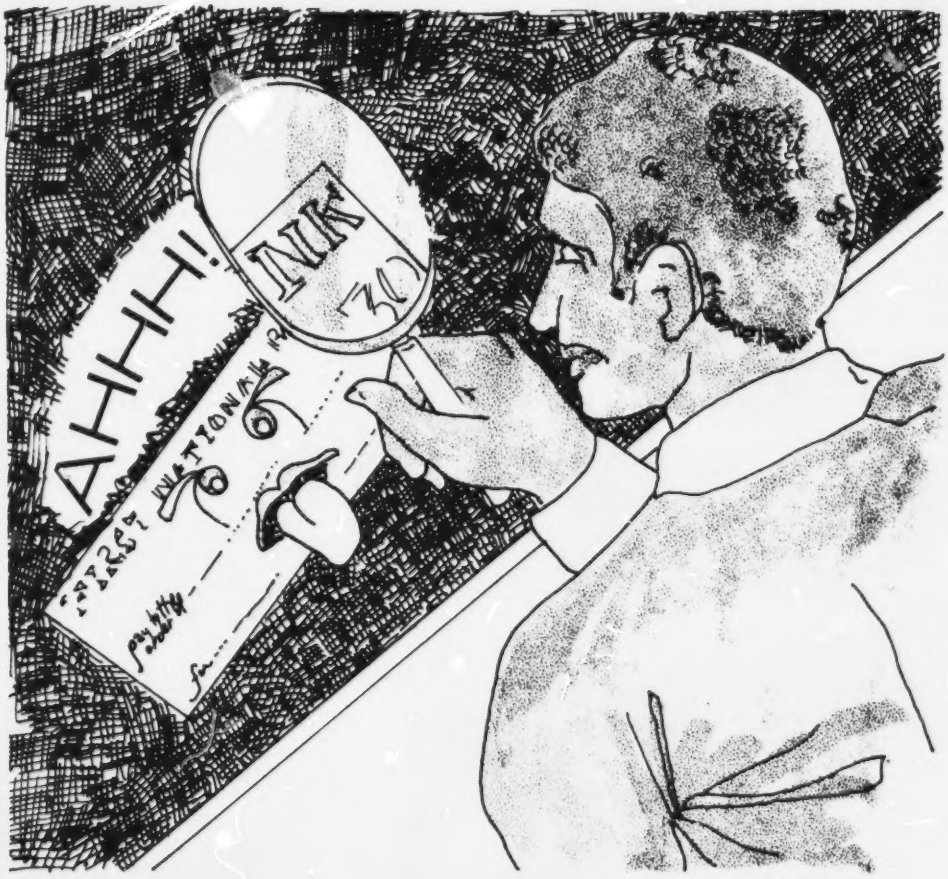
1. Read Instruction Sheet I entitled "Examining Checks for Acceptability." As each point is introduced, look at the example shown at the end of Instruction Sheet I on which each point discussed is circled.

2. Practice examining checks for acceptability by turning to Instruction Sheet II and following the directions. Do not write on the Instruction Sheet.

3. Turn to the Self-Check and "test" yourself. The Self-Check is not an actual test and will not be graded. It will simply let you know how much you have learned from what was presented in the two instruction sheets. An answer key is provided.

4. If you feel that you need more time to learn the material which has been presented or if you feel that you need questions answered, turn back to Instruction Sheets I and II and reread and re-study the materials. If you still have questions, ask your teacher for help.

5. Turn to the Post-Test and follow the directions; record your answers on a separate sheet of paper.



INSTRUCTION SHEET I

Examining Checks for Acceptability

This activity is designed to help you determine what to look for when deciding whether to cash a check in the position of bank teller.

Persons who present checks to the bank teller usually fall into two groups: those who have checking accounts with that bank and those who do not have checking accounts with that bank. The steps to follow are usually much simpler if the person presenting the check to the teller for payment is a regular customer of that bank. There are several reasons for this. First, if the teller is familiar with the customer, and the amount of the check being cashed is not too great (not over $50), the teller may cash the check without calling to ask the customer's balance or to ask for the usual identification cards. Second, even if the amount is over $50, the teller can use a direct line to the bank's accounting services department to make sure the customer has enough money in the account to cover the amount of the check in case the check he or she is cashing turns out to be a "bad check."

If the customer presenting the check to the teller is not a customer of the bank and the check has been drawn on another bank in that town, the teller will probably suggest that the person presenting the check go to the other bank or to the customer's regular bank to get the check cashed.

If the customer presenting the check for cashing is from out of town, the bank teller may cash the check if the customer can present some valid identification such as a BankAmericard, Master Charge card, and a current driver's license. If the customer knows anyone in town, the bank teller should get the customer to have the friend co-endorse the check along with the customer.

Assuming that the teller is presented a check for cashing by one of its regular customers, these are some of the major points for examining checks for acceptability. Each point is numbered on Page 8 on the check shown at the bottom of that page.

1. The teller should examine the check for the identification of the bank on which the check is drawn. The teller should determine that there is such a bank and that the identification numbers are properly shown.

2. The teller should examine the check for the date on the check. The check should not be dated into the future and the check should not be more than 90 days old. Older checks will be taken for deposit but usually not for cashing.

3. The teller should examine the check to see that such words of negotiability as "Pay to the Order of" are included on the check.

4. The teller should examine the check to make sure the payee line is properly filled in. The payee line is the line which begins "Pay to the Order of" and has a line to write in the name of the payee. The payee name should include the first or called name and a last name or surname.

5. The teller should examine the check to make sure the figures on the check match the written amount in words. When the two do not agree, and there is not a great difference in the amount of the two, the teller may cash the check for the amount written in words. In such a case, the teller would ignore the figures. When there is a great difference in the amount written in words and the amount in figures, the teller should question whether or not to cash the check. The teller might need to get the advice of the head teller or branch manager.

6. The teller should examine the check to determine that the maker's signature is valid. This is sometimes difficult to do. Most personal checks now have the name and address of the

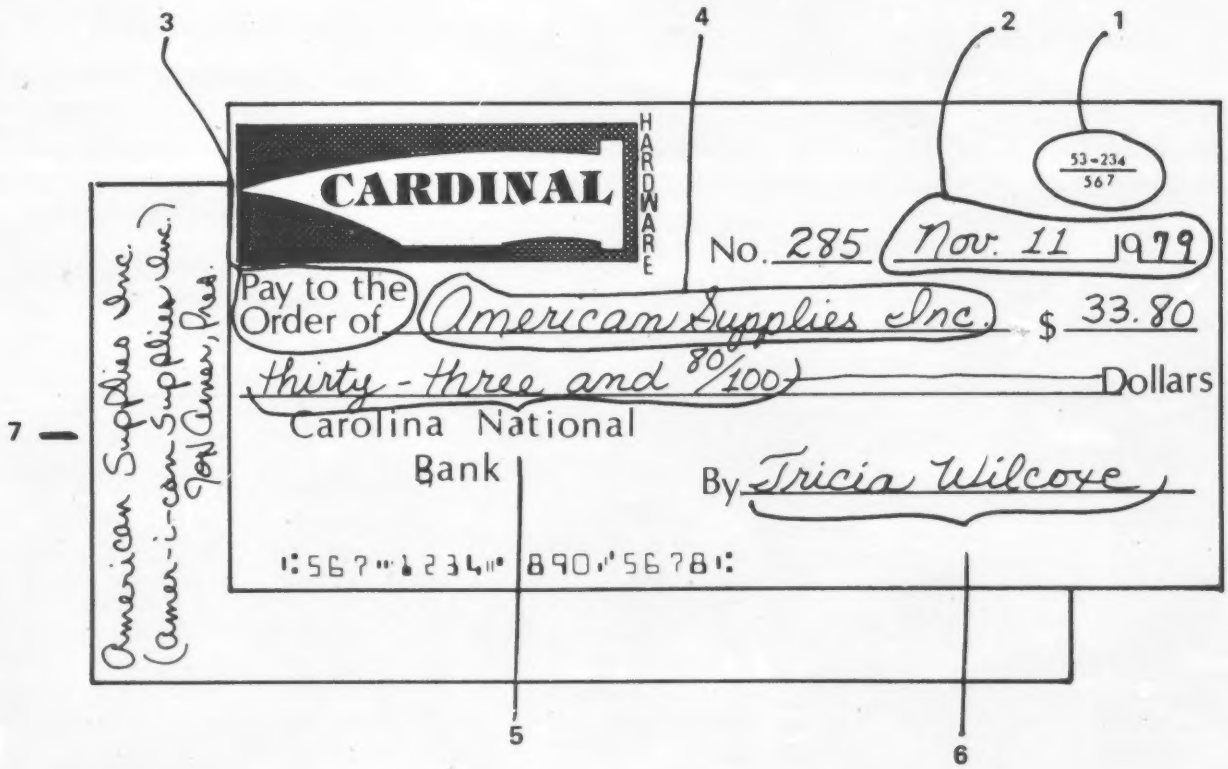
INSTRUCTION SHEET I Continued:

customer printed at the upper left portion of a check. The teller can look to see whether the person who made out the check is the same as that printed on a personal check. If the teller can determine that the signature appears valid, the teller may go ahead and cash the check provided everything else is in order.

7. The teller should examine the check to make sure that the name of the **payee** and the name of the **endorser** on the back of the check are in agreement. The **endorsement** on the back of the check should be exactly like the wording and spelling on the **payee** line. When the **maker** of the check misspells the **payee's** name, the **payee** should sign the **endorsement** the way it was misspelled and then underneath it sign the name the way it should be. The teller has to use common sense and good judgment when deciding whether the intended **payee** and the **endorser** are the same people. It is possible for the teller to cash a check even though the endorsement is not the same spelling as the name on the **payee** line.

8. The teller should examine the check carefully to make sure that there have been no **alterations.** There should be no erasures on checks. All the numbers in figures should be written in the same color ink so the teller will know that they were all written in at the same time. If the teller is suspicious that the customer has attempted to alter the amount of the check or any other information on the check, she or he should not cash the check and should call the head teller or branch manager for assistance.

ILLUSTRATION A
Points of Acceptability

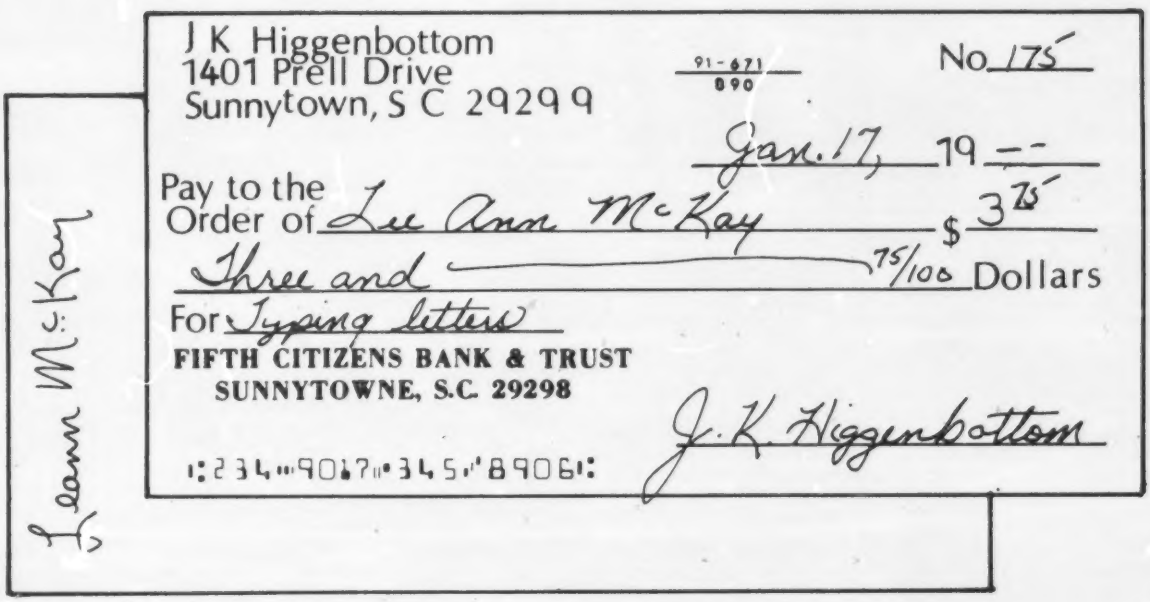


INSTRUCTION SHEET II

Practice in Examining Checks for Acceptability

Now that you have read Instruction Sheet I and learned the various points in examining checks for acceptability, you are to put that knowledge to work. Examine each of the checks presented with this Instruction Sheet and decide whether you would cash the check if you were a bank teller. Pick out all the points which would make you question its acceptability. Make a mental note of everything wrong with each check and then read the paragraph underneath the check to see whether you were correct.

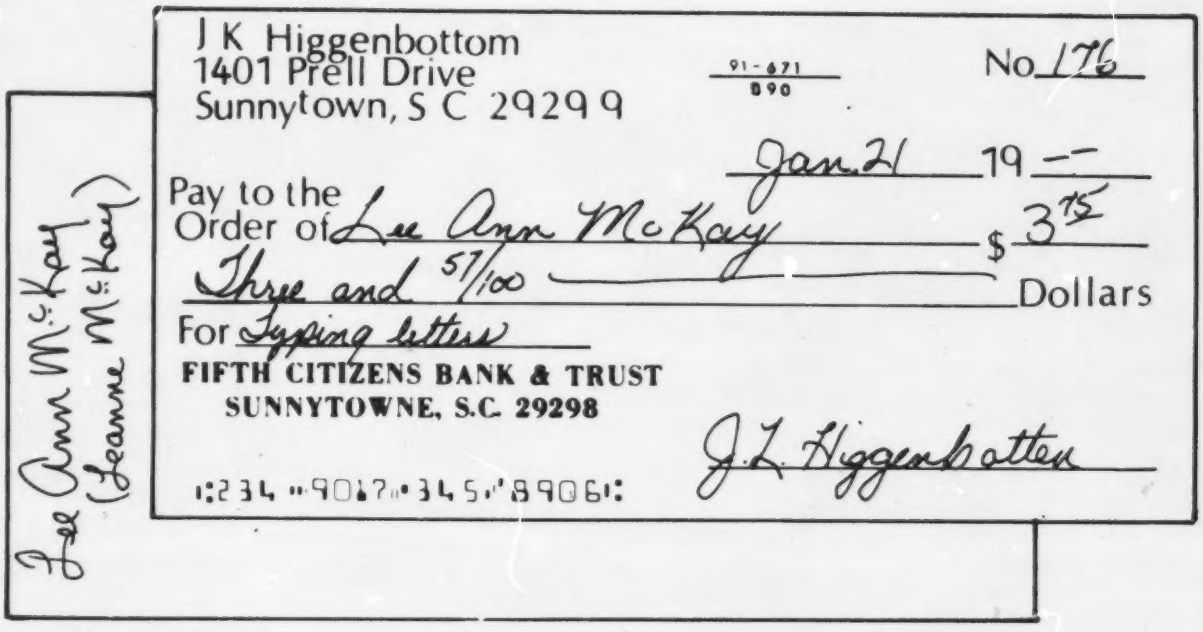
ILLUSTRATION B



This check seems to be okay on the front, but the endorsement is incorrect. She should have signed the endorsement as spelled on the front of the check and then signed her name as it should be underneath it. The maker's signature is the same as that printed on the check. The check has the proper term "pay to the order of", and the amount in figures agrees with the amount in words.

INSTRUCTION SHEET II Continued:

ILLUSTRATION C



The first thing wrong with the check is that the amount in figures and the amount in words do not agree. If this were all that was wrong with the check, the teller could go ahead and cash the check by using the amount as written in words rather than the amount in figures since the cash difference in the two amounts is not a large sum. The maker's signature, however, is not like that in the printed name at the top of the check. The initials are not the same, and the last name is not spelled the same. This should cause the teller to question the signature as a true signature. If the customer could not prove that the signature was valid, the teller probably would not cash the check. Note that the endorsement is done properly in this illustration, showing how the payee would endorse the check when the name had been spelled incorrectly on the payee line on the front of the check.

STUDENT SELF-CHECK

Now that you have completed Instruction Sheets I and II, you are to take a self-check "test" to let you know how well you have learned the material which has been presented to you. Read the conditions listed below and decide which ones you would not cash. On a plain piece of paper, write the numbers of those you would not cash. When you have completed the self check, turn this page and check your answers.

Directions: Which of the following conditions would prevent the bank teller from cashing a check?

1. The bank on which the check was drawn is an out-of-town bank and the person presenting the check does not have any identification except a social security card and knows no one in town.

2. The date on the check is for the fourth Thursday of next month.

3. The endorsement on the back of the check is not exactly the same spelling as the name written on the payee line. (Example: Vicky instead of Vickie)

4. The figure amount reads $22.20 and the written words read "Twenty and 20/100 Dollars."

5. The customer is a stranger in town and has a BankAmericard credit card and a Master-Charge card from the same bank on which the check is drawn and also has a current driver's license.

6. The amount in figures reads $1,110.00 and the amount in words reads "Ten thousand, one hundred ten and no/100 Dollars."

7. There appeared to be an erasure where the name of the payee has been written in. The erased area is larger than the space needed to write the payee's name in.

SELF-CHECK

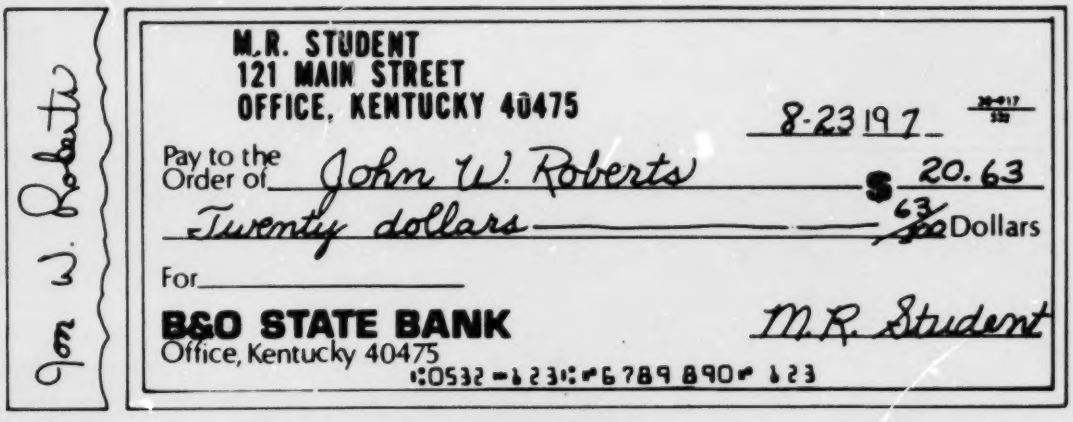
Answer Key

Would not cash 1, 2, 6, and 7.

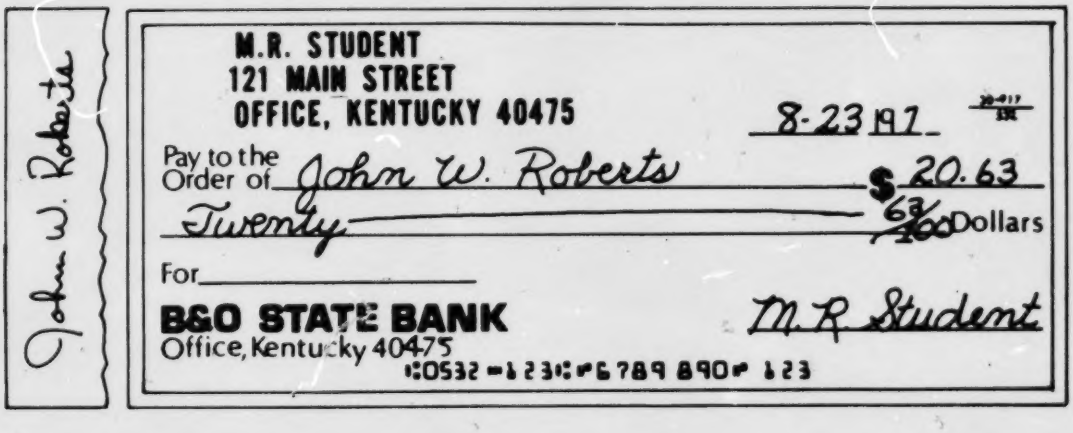
POST-TEST

DO NOT WRITE ON THIS SHEET. Put your answers on a plain sheet of paper and turn it in to your teacher when you are through. Examine the following display of three checks and endorsements. On your answer sheet, indicate which set is acceptable for cashing without further identification or conversation with the customer. Explain briefly why you chose that set, explaining what might make the other two sets unacceptable for cashing.

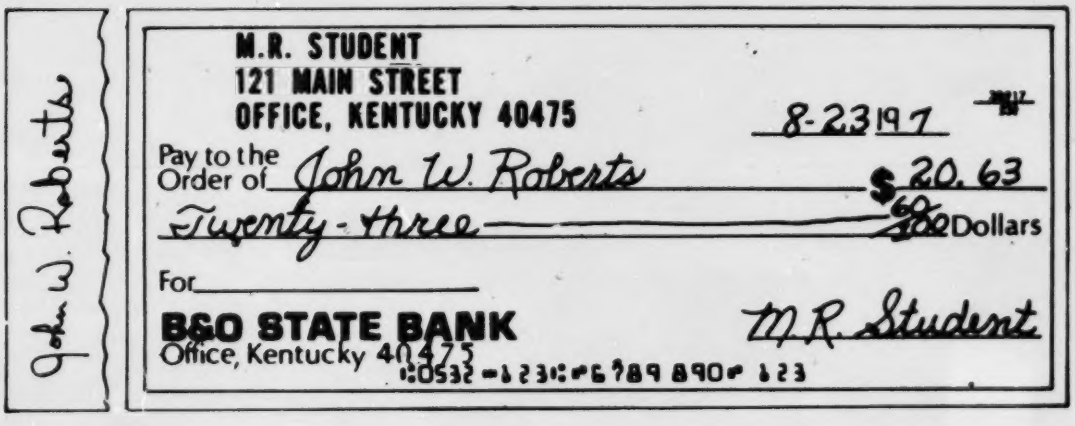
SET A



SET B



SET C



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EXAMINING CHECKS FOR ACCEPTABILITY

INSTRUCTOR'S HANDBOOK

Prepared by

Mrs. Katherine Cliatt

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Office of Vocational Education
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Clemson University
Clemson, South Carolina 29631

1978

Module No. V–A

INSTRUCTOR'S GUIDE TO LEARNING ACTIVITIES

MODULE TITLE: EXAMINING CHECKS FOR ACCEPTABILITY

Learning Activity Numbers

OBJECTIVE (S): Given a display of three checks with endorsements, examine each check and choose the one that is acceptable for cashing. Explain your reasons for the decision.

INSTRUCTION SHEETS

I	Title: "Examining Checks for Acceptability"	1
II	Title: "Practice in Examining Checks for Acceptability"	2

STUDENT SELF-CHECKS INCLUDED IN MODULE

I	Title: Student Self-Check	3

SUPPLEMENTAL MATERIALS

A page of blank checks is included so that you may periodically change the Pre-Test and Post-Test examples, if you desire.	

TEXTBOOKS AND REFERENCE BOOKS REQUIRED	
MANUALS, SPECIFICATION SHEETS REQUIRED	
FILMSTRIP PRESENTATIONS & AV MATERIALS REQUIRED	
SPECIAL TOOLS, EQUIPMENT & SUPPLIES REQUIRED	
Pen or pencil and the answer sheet provided with the module.	3

ATTITUDES & VALUES TO BE DEVELOPED

Ability to examine a check and determine whether it is acceptable for cashing at the teller's window.

* NOTES TO THE TEACHER TO ASSIST IN WORKING WITH THIS MODULE

An answer key is provided for the instructor for the Pre-Test/Post-Test.

KEY FOR STUDENT ANSWER SHEETS

Pre-Test: Follow the instructions on the Pre-Test. Your teacher will correct your answers for you.

SET A _____

SET B ___X___

SET C _____

Reasons for your choice.

Set A could possibly be cashed even though the endorsement name is not the same as that of the payee.

Set C could also be cashed but not for the amount shown in figures. It could be cashed for the amount written in words.

Student Self-Check: Follow the instructions on the Student Self-Check. You are to correct your own answers according to directions.

Place a check mark by the one(s) you would not cash if you were a bank teller:

_X_ 1 _X_ 2 _____ 3 _____ 4 _____ 5 _X_ 6 _X_ 7

Post-Test: Follow the instructions on the Post-Test. Your teacher will correct your paper for you.

SET A _____

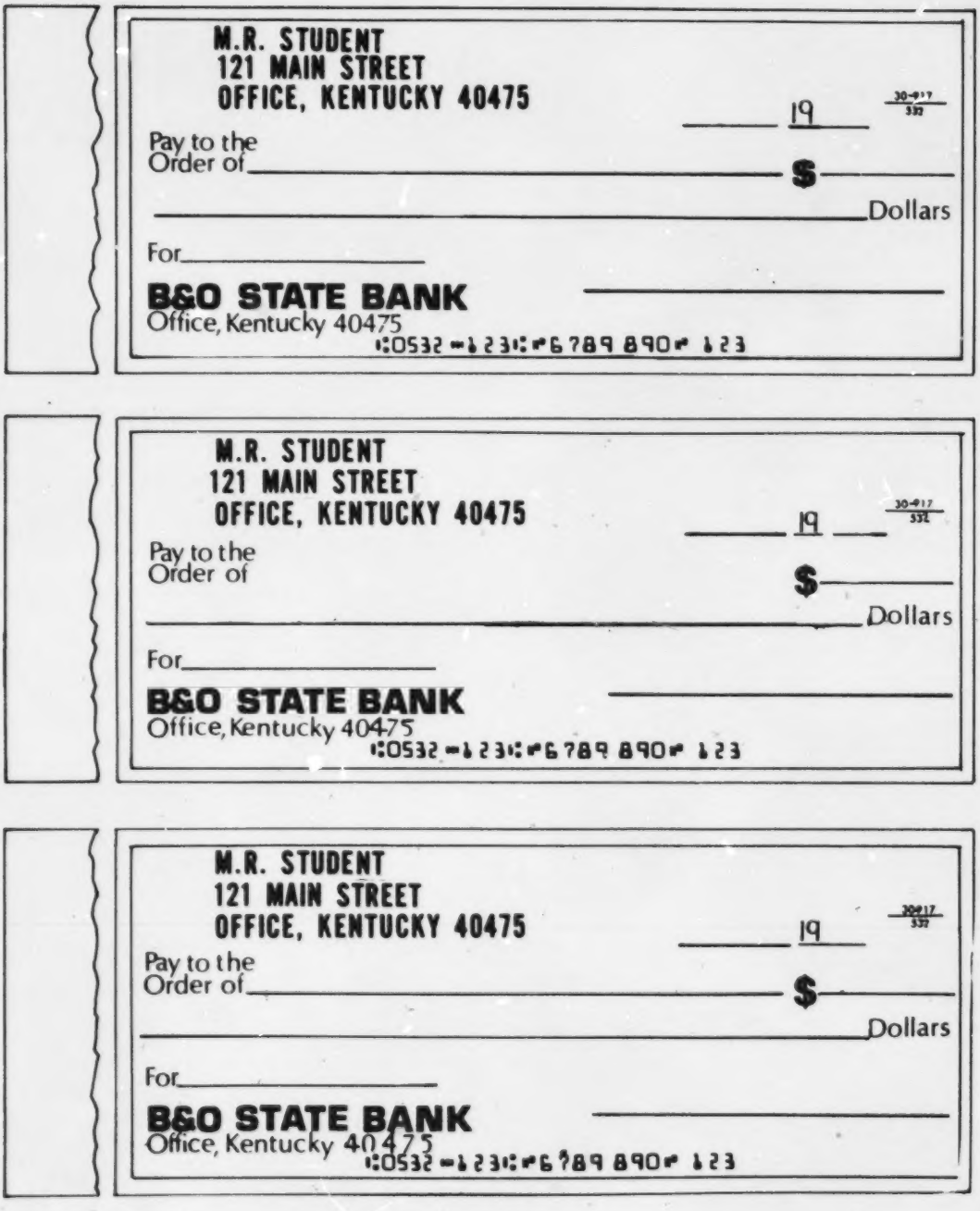
SET B ___X___

SET C _____

Reasons for your choice.

Same as for the Pre-Test

SUPPLEMENTAL MATERIAL



M.R. STUDENT
121 MAIN STREET
OFFICE, KENTUCKY 40475

_____ 19 ____ 30-917 / 532

Pay to the Order of _____ $ _____

_____ Dollars

For _____

B&O STATE BANK
Office, Kentucky 40475

⑆0532⑈123⑆ ⑈6789 890⑈ 123

M.R. STUDENT
121 MAIN STREET
OFFICE, KENTUCKY 40475

_____ 19 ____ 30-917 / 532

Pay to the Order of

$ _____

_____ Dollars

For _____

B&O STATE BANK
Office, Kentucky 40475

⑆0532⑈123⑆ ⑈6789 890⑈ 123

M.R. STUDENT
121 MAIN STREET
OFFICE, KENTUCKY 40475

_____ 19 ____ 30917 / 532

Pay to the Order of _____ $ _____

_____ Dollars

For _____

B&O STATE BANK
Office, Kentucky 40475

⑆0532⑈123⑆ ⑈6789 890⑈ 123